

**Business Enterprise Program Council for Minorities,
Females, and Persons with Disabilities**

MEETING MINUTES

**Monthly Council Meeting
Location: Video Conference Room 2-025
James R. Thompson Center
100 W. Randolph Street, Chicago, Illinois**

Monday, May 24, 2010 1:00 p.m.

COUNCIL MEMBERS IN ATTENDANCE

Alesia Hawkins
Raymond Arias
Curtis Thompson
Beth Doria
Florence Cox
Lourdes Coss
Phillip Barreda
Hedy Ratner
Michael Gonzalez
Larry Ivory (via video conference)

COUNCIL MEMBERS NOT IN ATTENDANCE

Patrick Blair
Jesse Martinez
Letitia Herrera
Lawrence Parrish
Lynne Turner (represented by Elaine Pettis)

COUNCIL CHAIRMAN

James P. Sledge, CMS/ Director

ACTING COUNCIL SECRETARY

Elias Ricks Ngwayah II, CMS/BEP

CMS STAFF IN ATTENDANCE

Philina King, CMS/BEP Deputy General Counsel
Nadine Lacombe, CMS General Counsel
Steve Schweitzer, CMS/Legal
Agueda Corona, Disparity Study Manager
Yvette Riley, CMS/BEP
Leslie Taylor, CMS/BEP
Gladys Rodriguez, CMS/BEP
Carlos Gutierrez, CMS/BEP
Susan Hartman, CMS/BOSSAP

OTHERS IN ATTENDANCE

Stephanie Stephens, Diversity Manager, Illinois State Toll Highway Authority
Vanessa Smith, President, Vantage Solutions LLC
James Eakins, James P Eakins Consulting LLC

AGENDA

- 1.0 CALL TO ORDER
- 2.0 ROLL CALL
- 3.0 APPROVAL OF THE MINUTES OF THE REGULAR COUNCIL MEETING HELD
ON March 22, 2010 and April 28, 2010
- 4.0 CHAIR'S REPORT
- 5.0 POSTED BUSINESS
 - 5.1 Disparity Study Oversight Committee Representative – Agueda Corona
- 6.0 UNFINISHED BUSINESS
 - 6.1 Committee Updates
 - A. Exemption/Compliance Committee
 - B. Bonding Committee
 - C. Professional Services
- 7.0 NEW BUSINESS
- 8.0 ADJOURNMENT

CALLED TO ORDER

James P. Sledge, Director for Illinois Department of Central Management Services, called the Business Enterprise Program Council meeting to order at 1:09 PM.

Elias Ricks Ngwayah II, Acting Business Enterprise Council Secretary, took roll call.

MINUTES OF COUNCIL MEETINGS OF March 22, 2010 and April 28, 2010

The minutes of the Council meeting held March 22nd were motioned for approval by Florence Cox and seconded by Curtis Thompson. The minutes were approved without opposition or abstentions.

The minutes of the Council meeting held April 28th were motioned for approval by Florence Cox and seconded by Beth Doria. The minutes were approved without opposition or abstentions.

2010 COUNCIL MEETINGS

The upcoming BEP Council meetings will be scheduled for the fourth Monday of each month, from 1:00 PM. to 3:00 PM.

The Council meeting calendar for 2010 is as follows:

28th June 2010 – JRTC, Room 2-025

26th July 2010 – JRTC, Room 2-025

23rd August 2010 – JRTC, Room 2-025

27th September 2010 – JRTC, Room 2-025

25th October 2010 – JRTC, Room 2-025

22nd November 2010 – JRTC, Room 2-025

CHAIR'S REPORT:

Chair James Sledge reported on the following items:

Disparity Study business community outreach meetings:

- The Disparity Study Business Community Meetings were held in Springfield, Belleville and Chicago. CMS staff attended all three community meetings. Chair James Sledge attended the Chicago and reported there was a constant flow of dialogue between the vendor, Mason Tillman and the business community attendees.

Chair James Sledge opened the floor for discussion and feedback from council members regarding the disparity study and business community outreach meetings.

Florence Cox:

- Ms. Cox asked for clarity regarding the number of companies that will be interviewed by Mason Tillman. Ms Cox noted she understood Mason Tillman will interview sixty-five companies (65) for the Study and thought this was a low number of companies when compared to the number of agencies taking part in the Study. Ms. Cox inquired about the Disparity Study contract re: performance of service and payments.

Stephanie Stephens:

- Stephanie Stephens from the Illinois State Toll Highway Authority (ISTHA) had the same concern as Ms. Cox. Ms. Stephens shared that Mason Tillman informed her agency that they were going to interview forty (40) companies for the ISTHA and IDOT portion of the Study. ISTHA felt forty (40) was not a very representative number and asked Mason Tillman to supplement an email survey. Ms. Stephens confirmed that Mason Tillman did in fact send Toll Highway Authority the email survey.

Lourdes Coss:

- Lourdes Coss indicated that her understanding of sixty-five (65) companies interviewed by Mason Tillman will only be used to help them to develop the recommendations of the study, not the statistical analysis. The vendor information provided by state agencies related to the contract-subcontracting portion of the study. The surveys go to the availability portion of the study. The interviews are antidotal and used to develop recommendations. The agencies will be asked their suggestions on how to improve the Business Enterprise Program.

Hedy Ratner:

- Ms. Ratner reported she attended the May 20th business community meeting at University of Illinois at Chicago.
- Ms. Ratner shared that the issue of the sixty-five (65) companies to be interviewed by Mason Tillman came up for discussion several times during the meeting. She explained that the number sixty-five (65) is antidotal. All other information relate to the quantitative data of the Study.
- Ms. Ratner stated Women Business Development Center (WBDC) will cooperate and assist Mason Tillman in the Study.

WBDC efforts thus far include:

- Provided Governors Office with D & B data of women-owned businesses in the Chicago area. The list contained 8,000 companies not certified with WBDC. Ms. Ratner believes the Governor's Office forwarded the data to Mason Tillman.
- WBDC Newsletter: posted general information about the study and request for completion of the survey.

WBDC concerns:

- WBDC, stakeholders and some State agencies are very concerned about BEP participation goals.
- Mason Tillman data collection should accurately reflect the numbers and capacity of women- owned and minority businesses in the State of Illinois.

Noted: Chair James Sledge invited members to submit a list of questions to Mason Tillman for response.

Council Agreed: Chair James Sledge advised the Council to work through Ms. Corona to create a set of questions for Mason Tillman to respond to at the next scheduled disparity study oversight committee meeting.

Chair James Sledge called for presentations:

Presentation by Agueda Corona:

Presentation by Agueda Corona:

Ms. Corona reported on the disparity study and business community outreach meetings held on May 19th and May 20th. Ms. Corona entertained questions and feedback from the Council.

Ms. Corona reported that the vendors she spoke with were satisfied with Mason Tillman's presentation. The presentation lasted approximately one (1) hour and the answer and question portion took up the remaining time. In addition, Ms. Corona encouraged members to turn over their membership list to Mason Tillman so that they could reach out to as many businesses as possible in the database.

Ms. Corona gave special thanks to Lourdes Coss for providing CMS with a sign language interpreter for the Chicago community outreach meeting.

Vendor Headcount for each community meeting:

- May, 19, 2010 – University of Illinois at Springfield, Illinois - Headcount: 15 vendors.
- May 19, 2010 – Southwestern Illinois College, Belleville, Illinois – Headcount: 3 vendors.
- May 20, 2010 – University of Illinois at Chicago, Chicago, Illinois – Headcount: 40 vendors.

Key points of discussion and conclusions are as follows:

- Verification of Mason Tillman membership data list to ensure data is being accurately collected for the Study.
 - Beth Doria noted that her company list was forwarded to Mason Tillman for the ISTHA and IDOT side for the Study.

- Phillip Barreda and Hedy Ratner shared insights of the disparity study conference call with Mason Tillman.
- Mason Tillman contract specifications and requirements.

UNFINISHED BUSINESS

Chair James Sledge called for committee updates.

A. Exemption/Compliance Committee

Beth Doria provided report on the exemption/compliance committee.

Ms. Doria reported that her committee met this month to discuss agencies and universities responses to the denial letter for requested exemptions. Several agencies accepted the denial of their requested exemption, while others provided amended responses.

In conclusion, Ms. Doria noted that in many cases, agencies were asking for almost 100% exemption on certain detail object code categories.

General Discussion on the Council's authority and responsibilities:

Member Beth Doria and Member Larry Ivory provided a general overview of the Council's statutory authority and responsibilities. The Council discussed ways become more active and addressed the importance of implementing sound compliance programs. Members were encouraged to actively engage in the core policy and issues of BEP Act 30 ILCS 575/1 et seq.

Beth Doria stated that the purpose of the Council is to implement, monitor and enforce the BEP participation goals for state agencies and state universities under the jurisdiction of the BEP Act. Council should ensure businesses have the opportunity to participate in state contracts whenever feasible in accordance with the laws and administrative rules of the State of Illinois.

Larry Ivory discussed agency and university FY 2010 compliance plans and exemptions. He noted the exemption/compliance committee discovered many minority businesses were exempt from subcontracting opportunities. The exemption/compliance committee will be taking a closer look at agency requested exemptions for next fiscal year. Larry Ivory invited members to work with CMS and state legislators to increase minority participation throughout the State of Illinois within the confines of the laws.

Noted: That Acting Secretary, Elias Ricks Ngwayah distributed handouts to the Council: 1) legislation for BEP Act 30 ILCS 575 highlighting section 2 "The Council's statutory authority and responsibilities" 2) May 1, 2006 Memorandum from CMS former Director Paul Campbell on "BEP Subcontracting Participation Goal Requirements" for RFP's \$500,000 and greater.

Noted: That Chair James Sledge and CMS staff supports the mission of the Council. CMS staff is available to assist the Council in carrying out its directives.

Moving forward, Beth Doria and Larry Ivory, Phillip Barreda, Hedy Ratner, Florence Cox and members voiced the following concerns and suggestions:

- Strengthen member participation to carry out the objectives, duties and responsibilities under the BEP Act 30 ILCS 575/1 et seq.
- Members to review BEP Act

- Understand critical issues of compliance and BEP goals in state contracts
- Develop training session and training manual for new Council members
- Establish dialogue with Governors Office and legislature re: increase in headcount for CMS/BEP staff
- Establish smaller work group to address core policy and issues of the Council

These are:

1. Ensure BEP participation goals in State contracts
2. Review and approval of BEP waivers
3. Sole Sourcing contracts
4. Informal Bid (IFB's) contracts
5. Legislation
6. Administrative Policies
 - a. BEP subcontracting participation goals in RFP's with a value of \$500,000 and greater

B. Bonding Committee - No Report

C. Professional Services Committee – No Report

NEW BUSINESS

The Council voted to establish a new committee.

By a motion duly made to create new a policy and enforcement subcommittee for the BEP Council was seconded by Michael Gonzalez and was duly carried by unanimous vote.

Election of policy enforcement committee members:

- Hedy Ratner nominated Beth Doria as lead chairman for the committee. Ms. Doria accepted.
- Nadine Lacombe nominated Philina King as a standing member of the committee. Mrs. King accepted.
- Ms. Doria will call for volunteers to serve on the committee.
- Council agreed that the policy enforcement committee will consist of 5-6 members.
- Larry Ivory suggested participation from the exemption/compliance committee members on the new policy and enforcement committee.

Members Appointment Terms

Chair James Sledge yields floor to Acting Secretary Elias Ricks Ngwayah II.

Mr. Ngwayah reported currently there are fifteen (15) members on the Council. Members' appointment terms were extended until December 2010. There are three (3) vacancies that need to be filled by Governor Pat Quinn. Members asked Mr. Ngwayah if the vacancies were for agency directors/designees or representatives from the business community. Mr. Ngwayah advised there are people from the business community that need to be appointed.

Chair James Sledge noted that several members have asked him for re-appointments. He has forwarded those messages to the Governor's Office.

Action Items:

- Agueda Corona will contact Mason Tillman to cross check member's company membership data list against Mason Tillman to ensure data is accurately collected for the Study.
- Members will forward questions to Agueda Corona regarding how Mason Tillman is conducting the Study.
- Correspondence will be sent to agency directors requesting more information regarding exemption requests.
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Next Steps

- Next meeting is scheduled for Monday, June 28, 2010, James R Thompson Center, 100 W Randolph Street, Room 2-025, 1:00 PM to 3:00 PM.
- Members will work in smaller work groups to address core policy and issues of the Business Enterprise Program.

Meeting Adjourned at 2:08 PM